

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MEADE COUNTY)	
WATER DISTRICT FOR RATE ADJUSTMENT)	CASE NO. 10292
FOR NON-RECURRING CHARGES)	

INTERIM ORDER

On June 10, 1988, Meade County Water District ("Meade") filed a request with the Commission seeking approval to increase its bulk water sales rate.

Meade's current bulk sales rate is \$2 per 1,000 gallons. This rate was set by Meade County Fiscal Court and was in effect when Meade began operating in April of 1987. The lowest rate in Meade's declining block rate structure to its metered customers is \$4 per 1,000 gallons. Meade's proposed bulk water sales rate is \$4.50 per 1,000 gallons.

Meade purchases its water from the City of Brandenburg and is limited to 3,000,000 gallons per month. Meade states that water is now being purchased at its truck station to fill swimming pools, ponds, and other nonessential purposes. Since Meade is pumping at near capacity, it is concerned that the low bulk sales rate is encouraging water haulers to take water that is needed for its metered customers.

The Commission, after consideration of the evidence of record, and being advised, is of the opinion and finds that:

1. A water shortage situation does now exist and immediate water conservation measures are required in order to adequately maintain the health and sanitation of the customers of Meade.

2. The proposed bulk water rate of \$4.50 should be approved on an interim basis until a detailed review of Meade's revenue and expenses can be completed.

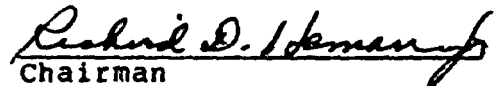
IT IS THEREFORE ORDERED that:

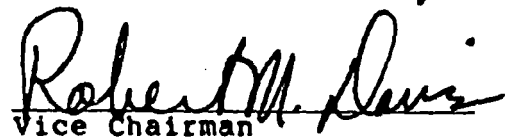
1. The proposed bulk water sales rate of \$4.50 per 1,000 gallons be and it hereby is approved, on an interim basis, effective for service rendered on and after the date of this Order, subject to final review of Meade's operating revenues and expenses.

2. Within 30 days from the date of this Order, Meade shall file its revised tariff sheet setting out the bulk sales rate approved herein.

Done at Frankfort, Kentucky, this 22nd day of July, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director